

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|-----------------------------|---|------------------|
| THE NOTICE OF PURCHASED GAS |) | |
| ADJUSTMENT FILING OF BELFRY |) | CASE NO. 7341-HH |
| GAS, INC. |) | |

O R D E R

On July 19, 1979, the Commission issued its Order in Case No. 7341 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On September 8, 1988, Belfry Gas, Inc., ("Belfry") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective October 1, 1988, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Belfry's notice of September 8, 1988 set out the wholesale decrease in price from its supplier in the amount of \$82 or .1 cents per Mcf. Because the change in rates is negated by rounding, Belfry has no material decrease in rates to pass along to its customers.

(2) Transmission applied with the Federal Energy Regulatory Commission for decreased rates to become effective October 1, 1988.

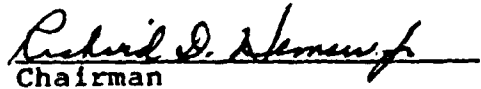
(3) Belfry's filing under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 7341, dated July 19, 1979 is fair, just, and reasonable and in the public interest. No adjustment in retail rates should be made.

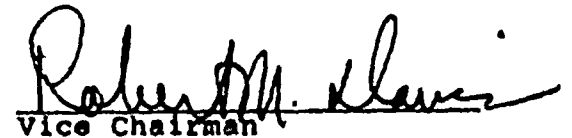
IT IS THEREFORE ORDERED that:

(1) The wholesale change in rates from Transmission, effective October 1, 1988, is immaterial to Belfry's customers. No change in Belfry's retail rates shall be made.

Done at Frankfort, Kentucky, this 29th day of September, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director